

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 91

January 20, 2021

SUMMARY OF BILL: Increases the period of amortization, from 20 years to 30 years, for loans provided through the Drinking Water Revolving Loan Fund (Fund).

Extends the length of time a loan provided through the Fund may be extended from the date of project completion, from 30 years to 40 years.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Extending the life of a loan may, in some instances, result in loans with longer lives and corresponding interest rates that are higher than loans with shorter lives.
- To the extent known, it is assumed that most eligible counties and cities within Tennessee will generally elect for the currently-available short-term loans in order to keep lower interest rates; only a negligible portion will elect longer-term loans. Therefore, this legislation is estimated to have no significant impact on state or local governments within the state.
- Any impact on the Department of Treasury or the Fund is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic".

Bojan Savic, Interim Executive Director

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